

2008

Open to Public
InspectionForm **990****Return of Organization Exempt From Income Tax**Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung
benefit trust or private foundation)

▶ The organization may have to use a copy of this return to satisfy state reporting requirements

Department of the Treasury
Internal Revenue Service**A For the 2008 calendar year, or tax year beginning , 2008, and ending , 20**

B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Termination <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	Please use IRS label or print or type See Specific Instructions	C Name of organization WORKERS' COMPENSATION REINSURANCE ASS		D Employer identification number
		Doing Business As		41-1357750
		Number and street (or P O box if mail is not delivered to street address) Room/suite		E Telephone number
		400 ROBERT STREET NORTH 1700		(651) 293-0999
		City or town, state or country, and ZIP + 4		G Gross receipts \$ 5,601,633,648.
		ST. PAUL, MN 55101-2026		H(a) Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
		F Name and address of principal officer CARL CUMMINS III		H(b) Are all affiliates included? <input type="checkbox"/> Yes <input type="checkbox"/> No
		400 ROBERT ST N, SUITE 1700 ST. PAUL, MN 55101		If "No," attach a list (see instructions)
I Tax-exempt status <input checked="" type="checkbox"/> 501(c) (27) ◀ (insert no) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527				H(c) Group exemption number ▶
J Website: WWW.WCRA.BIZ				
K Type of organization		Corporation <input type="checkbox"/>	Trust <input type="checkbox"/>	Association <input checked="" type="checkbox"/> Other ▶ 501(C)(27)(A)
		L Year of formation 1979		M State of legal domicile MN

Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities		
	INDEMNIFY SERIOUS WORKERS' COMPENSATION CLAIMS		
	2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its assets		
	3 Number of voting members of the governing body (Part VI, line 1a)	3	13
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	13
	5 Total number of employees (Part V, line 2a)	5	35
	6 Total number of volunteers (estimate if necessary)	6	NONE
	7a Total gross unrelated business revenue from Part VIII, line 12, column (C)	7a	
	b Net unrelated business taxable income from Form 990-T, line 34	7b	
	Revenue	8 Contribution and grants (Part VIII, line 1h)	Prior Year
9 Program service revenue (Part VIII, line 2g)			NONE
10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)		57,384,480.	30,055,589.
11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)		99,206,481.	-106,708,077.
12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)		156,590,961.	-56,652,488.
13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)			NONE
14 Benefits paid to or for members (Part IX, column (A), line 4)		161,786,152.	54,361,894.
15 Salaries or other compensation, employee benefits (Part IX, column (A), lines 5-10)		2,431,509.	2,851,449.
16 Professional fundraising fees (Part IX, column (A), line 11e)			NONE
b Total fundraising expenses, Part IX, column (D), line 25			
Expenses	17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f)	1,803,060.	6,403,900.
	18 Total expenses Add lines 13-17 (must equal Part IX, column (A), line 25)	166,020,721.	63,617,243.
	19 Revenue less expenses Subtract line 18 from line 12	-9,429,760.	-120,269,731.
Net Assets or Fund Balances	20 Total assets (Part X, line 16)	Beginning of Year	End of Year
	21 Total liabilities (Part X, line 26)	941,814,011.	1,470,307,033.
	22 Net assets or fund balances Subtract line 21 from line 20	975,191,315.	1,894,002,499.
		-33,377,304.	-423,695,466.

Part II Signature Block

Sign Here	Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge			
	Signature of officer		Date	
Paid Preparer's Use Only	Signature of preparer		Date	
	Type or print name and title		Preparer's identifying number (see instructions)	
Firm's name (or yours if self-employed), address, and ZIP + 4		EIN	Phone no.	
PRICewaterhouseCOOPERS LLP		13-4008324	612-596-6000	
225 SOUTH SIXTH ST., SUITE #1400 MINNEAPOLIS, MN 55402				

May the IRS discuss this return with the preparer shown above? (See instructions) ☐ Yes ☒ No

For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions.

Form 990 (2008)

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Part III Statement of Program Service Accomplishments (see instructions)

1 Briefly describe the organization's mission:

SEE STATEMENT 1

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? ☐ Yes ☒ No

If "Yes" describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? ☐ Yes ☒ No

If "Yes," describe these changes on Schedule O.

4 Describe the exempt purpose achievements for each of the organization's three largest program services by expenses. Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code _____) (Expenses \$ 63,617,243. including grants of \$ _____) (Revenue \$ 30,055,589.)

IN 2008, THE WCRA REIMBURSED 2,851 CLAIM REQUESTS AND PAID \$60,340,820.

FUNDED LOSSES AND LOSS EXPENSE RESERVES INCREASED BY \$12,709,714.

UNFUNDED LOSSES AND LOSS EXPENSE RESERVES DECREASED BY \$18,688,640.

OVERHEAD EXPENSES ALLOCATED TO LOSS EXPENSES TOTALED \$1,856,050.

4b (Code _____) (Expenses \$ _____ including grants of \$ _____) (Revenue \$ _____)

4c (Code _____) (Expenses \$ _____ including grants of \$ _____) (Revenue \$ _____)

4d Other program services. (Describe in Schedule O.)

(Expenses \$ _____ including grants of \$ _____) (Revenue \$ _____)

4e Total program service expenses ► \$ 63,617,243. (Must equal Part IX, Line 25, column (B))

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A		X
2 Is the organization required to complete Schedule B, Schedule of Contributors?		X
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I		X
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities? If "Yes," complete Schedule C, Part II		
5 Sections 501(c)(4), 501(c)(5), and 501(c)(6) organizations. Is the organization subject to the section 6033(e) notice and reporting requirement and proxy tax? If "Yes," complete Schedule C, Part III		
6 Did the organization maintain any donor advised funds or any accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I		X
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II		X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III		X
9 Did the organization report an amount in Part X, line 21, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV		X
10 Did the organization hold assets in term, permanent, or quasi-endowments? If "Yes," complete Schedule D, Part V		X
11 Did the organization report an amount in Part X, lines 10, 12, 13, 15, or 25? If "Yes," complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable	X	
12 Did the organization receive an audited financial statement for the year for which it is completing this return that was prepared in accordance with GAAP? If "Yes," complete Schedule D, Parts XI, XII, and XIII	X	
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E		X
14a Did the organization maintain an office, employees, or agents outside of the U.S.?		X
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, and program service activities outside the U.S.? If "Yes," complete Schedule F, Part I		X
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? If "Yes," complete Schedule F, Part II		X
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? If "Yes," complete Schedule F, Part III		X
17 Did the organization report more than \$15,000 on Part IX, column (A), line 11e? If "Yes," complete Schedule G, Part I		X
18 Did the organization report more than \$15,000 total on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II		X
19 Did the organization report more than \$15,000 on Part VIII, line 9a? If "Yes," complete Schedule G, Part III		X
20 Did the organization operate one or more hospitals? If "Yes," complete Schedule H		X
21 Did the organization report more than \$5,000 on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II		X
22 Did the organization report more than \$5,000 on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and III		X
23 Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5? If "Yes," complete Schedule J	X	
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? If "Yes," answer questions 24b-24d and complete Schedule K. If "No," go to question 25		X
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		
c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?		
d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?		
25a Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? If "Yes," complete Schedule L, Part I		
b Did the organization become aware that it had engaged in an excess benefit transaction with a disqualified person from a prior year? If "Yes," complete Schedule L, Part I		
26 Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? If "Yes," complete Schedule L, Part II	X	
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, or substantial contributor, or to a person related to such an individual? If "Yes," complete Schedule L, Part III		X

Part IV Checklist of Required Schedules (continued)

	Yes	No
28 During the tax year, did any person who is a current or former officer, director, trustee, or key employee		
a Have a direct business relationship with the organization (other than as an officer, director, trustee, or employee), or an indirect business relationship through ownership of more than 35% in another entity (individually or collectively with other person(s) listed in Part VII, Section A)? If "Yes," complete Schedule L, Part IV	X	
b Have a family member who had a direct or indirect business relationship with the organization? If "Yes," complete Schedule L, Part IV		X
c Serve as an officer, director, trustee, key employee, partner, or member of an entity (or a shareholder of a professional corporation) doing business with the organization? If "Yes," complete Schedule L, Part IV	X	
29 Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M		X
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M		X
31 Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I		X
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete Schedule N, Part II		X
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations section 301.7701-2 and 301.7701-3? If "Yes," complete Schedule R, Part I		X
34 Was the organization related to any tax-exempt or taxable entity? If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1		X
35 Is any related organization a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Schedule R, Part V, line 2		X
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? If "Yes," complete Schedule R, Part V, line 2		
37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? If "Yes," complete Schedule R, Part VI		X

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Part V Statements Regarding Other IRS Filings and Tax Compliance

		Yes	No
1a	Enter the number reported in Box 3 of Form 1096, Annual Summary and Transmittal of U.S. Information Returns. Enter -0- if not applicable	1a	26
b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	1b	NONE
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c	
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return . . .	2a	35
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note: If the sum of lines 1a and 2a is greater than 250, you may be required to e-file this return. (see instructions)	2b	X
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?	3a	X
b	If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O	3b	
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a	X
b	If "Yes," enter the name of the foreign country ►SEE STATEMENT 2 See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.		
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a	X
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b	X
c	If "Yes," to question 5a or 5b, did the organization file Form 8886-T, Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction?	5c	
6a	Did the organization solicit any contributions that were not tax deductible?	6a	X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b	
7	Organizations that may receive deductible contributions under section 170(c).		
a	Did the organization provide goods or services in exchange for any quid pro quo contribution of more than \$75?	7a	X
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b	
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c	X
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d	
e	Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e	X
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f	X
g	For all contributions of qualified intellectual property, did the organization file Form 8899 as required?	7g	
h	For contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required?	7h	
8	Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	8	
9	Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds.		
a	Did the organization make any taxable distributions under section 4966?	9a	
b	Did the organization make a distribution to a donor, donor advisor, or related person?	9b	
10	Section 501(c)(7) organizations. Enter:		
a	Initiation fees and capital contributions included on Part VIII, line 12	10a	
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b	
11	Section 501(c)(12) organizations. Enter:		
a	Gross income from members or shareholders	11a	
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	11b	
12a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?	12a	
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b	

Form 990 (2008)

Part VI Governance, Management, and Disclosure (Sections A, B, and C request information about policies not required by the Internal Revenue Code.)**Section A. Governing Body and Management**

	Yes	No
<i>For each "Yes" response to lines 2-7b below, and for a "No" response to lines 8 or 9b below, describe the circumstances, process, or changes in Schedule O. See instructions.</i>		
1a Enter the number of voting members of the governing body	1a 13	
b Enter the number of voting members that are independent	1b 13	
2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2	X
3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person? . . .	3	X
4 Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed? . . .	4	X
5 Did the organization become aware during the year of a material diversion of the organization's assets?	5 X	
6 Does the organization have members or stockholders?	6 X	
7a Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?	7a X	
b Are any decisions of the governing body subject to approval by members, stockholders, or other persons?	7b X	
8 Did the organizations contemporaneously document the meetings held or written actions undertaken during the year by the following		
a The governing body?	8a X	
b Each committee with authority to act on behalf of the governing body?	8b X	
9a Does the organization have local chapters, branches, or affiliates?	9a	X
b If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization?	9b	
10 Was a copy of the Form 990 provided to the organization's governing body before it was filed? All organizations must describe in Schedule O the process, if any, the organization uses to review the Form 990	10	X
11 Is there any officer, director or trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O	11	X

Section B. Policies

	Yes	No
12a Does the organization have a written conflict of interest policy? If "No," go to line 13	12a X	
b Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b X	
c Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done	12c X	
13 Does the organization have a written whistleblower policy?	13 X	
14 Does the organization have a written document retention and destruction policy?	14 X	
15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision		
a The organization's CEO, Executive Director, or top management official?	15a X	
b Other officers or key employees of the organization?	15b	X
Describe the process in Schedule O. (see instructions)		
16a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a	X
b If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?	16b	

Section C. Disclosure

17 List the states with which a copy of this Form 990 is required to be filed **► MN**

18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you make these available. Check all that apply.
☐ Own website ☐ Another's website ☒ Upon request

19 Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public.

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization **► CYNTHIA SMITH, WCRA 400 ROBERT ST. N., STE #1700 SAINT PAUL, MN 55101-2026 651-293-0999**

[illegible]

2	Total number of individuals (including those in 1a) who received more than \$100,000 in reportable compensation from the organization ▶	6
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		Yes	No
3	Did the organization list any former officer, director or trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i>	3	X
4	For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? <i>If "Yes," complete Schedule J for such individual</i>	4	X
5	Did any person listed on line 1a receive or accrue compensation from any unrelated organization for services rendered to the organization? <i>If "Yes," complete Schedule J for such person</i>	5	X

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization.		
(A) Name and business address	(B) Description of services	(C) Compensation
SEE STATEMENT 3		

2	Total number of independent contractors (including those in 1) who received more than \$100,000 in compensation from the organization	14
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Part VIII Statement of Revenue

41-1357750

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
Contributions, gifts, grants and other similar amounts	1a	Federated campaigns	1a				
	b	Membership dues	1b				
	c	Funraising events	1c				
	d	Related organizations	1d				
	e	Government grants (contributions) . .	1e				
	f	All other contributions, gifts, grants, and similar amounts not included above .	1f				
	g	Noncash contributions included in lines 1a-1f \$					
	h	Total. Add lines 1a-1f		NONE			
Program Service Revenue				Business Code			
	2a	FUNDED REINSURANCE	524298	47,523,064.	47,523,064.		
	b	UNFUNDED REINSURANCE	524298	-17,467,475.	-17,467,475.		
	c						
	d						
	e						
	f	All other program service revenue					
	g	Total. Add lines 2a-2f		30,055,589.			
Other Revenue	3	Investment income (including dividends, interest, and other similar amounts)	STMT. 4	41,490,523.			41,490,523.
	4	Income from investment of tax-exempt bond proceeds . . .		NONE			
	5	Royalties		NONE			
			(i) Real	(ii) Personal			
	6a	Gross Rents					
	b	Less rental expenses					
	c	Rental income or (loss)					
	d	Net rental income or (loss)		NONE			
			(i) Securities	(ii) Other			
	7a	Gross amount from sales of assets other than inventory	5,510,087,536.				
	b	Less cost or other basis and sales expenses	5,658,286,136.				
	c	Gain or (loss)	-148,198,600				
	d	Net gain or (loss)		-148,198,600.		-148,198,600.	
	8a	Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c) See Part IV, line 18	a				
	b	Less direct expenses	b				
	c	Net income or (loss) from fundraising events		NONE			
	9a	Gross income from gaming activities See Part IV, line 19	a				
	b	Less direct expenses	b				
	c	Net income or (loss) from gaming activities		NONE			
	10a	Gross sales of inventory, less returns and allowances	a				
b	Less cost of goods sold	b					
c	Net income or (loss) from sales of inventory		NONE				
Miscellaneous Revenue			Business Code				
11a	LITIGATION SETTLEMENT	524298	20,000,000.	20,000,000.			
b							
c							
d	All other revenue						
e	Total. Add lines 11a-11d		20,000,000.				
12	Total Revenue. Add lines 1h, 2g, 3, 4, 5, 6d, 7d, 8c, 9c, 10c, and 11e		-56,652,488	50,055,589		-106,708,077.	

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns.

All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the U.S. See Part IV, line 21 . . .	NONE			
2 Grants and other assistance to individuals in the U.S. See Part IV, line 22	NONE			
3 Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16	NONE			
4 Benefits paid to or for members, STMT. 5	54,361,894.			
5 Compensation of current officers, directors, trustees, and key employees	1,063,623.			
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) . . .	NONE			
7 Other salaries and wages	1,255,826.			
8 Pension plan contributions (include section 401 (k) and section 403(b) employer contributions). .	144,992.			
9 Other employee benefits	245,100.			
10 Payroll taxes	141,908.			
11 Fees for services (non-employees)				
a Management	8,250.			
b Legal	455,043.			
c Accounting	122,775.			
d Lobbying	NONE			
e Professional fundraising services See Part IV, line 17	NONE			
f Investment management fees	4,952,578.			
g Other	47,259.			
12 Advertising and promotion	NONE			
13 Office expenses	98,505.			
14 Information technology	102,430.			
15 Royalties	NONE			
16 Occupancy	258,557.			
17 Travel	50,953.			
18 Payments of travel or entertainment expenses for any federal, state, or local public officials	NONE			
19 Conferences, conventions, and meetings	16,608.			
20 Interest	NONE			
21 Payments to affiliates	NONE			
22 Depreciation, depletion, and amortization	32,683.			
23 Insurance	154,267.			
24 Other expenses Itemize expenses not covered above (Expenses grouped together and labeled miscellaneous may not exceed 5% of total expenses shown on line 25 below)				
a PERSONNEL ADMINISTRATIVE EXP	103,992.			
b -----				
c -----				
d -----				
e -----				
f All other expenses -----				
25 Total functional expenses. Add lines 1 through 24f	63,617,243.			
26 Joint Costs. Check here <input type="checkbox"/> If following SOP 98-2 Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X Balance Sheet

		(A) Beginning of year		(B) End of year
Assets	1 Cash - non-interest-bearing	-929,085.	1	-1,056,324.
	2 Savings and temporary cash investments	302,784,379.	2	188,846,545.
	3 Pledges and grants receivable, net		3	
	4 Accounts receivable, net	3,640.	4	2,651.
	5 Receivables from current and former officers, directors, trustees, key employees, or other related parties. Complete Part II of Schedule L	47,541.	5	51,057.
	6 Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B). Complete Part II of Schedule L		6	
	7 Notes and loans receivable, net		7	
	8 Inventories for sales or use		8	
	9 Prepaid expenses and deferred charges	4,773.	9	109,837.
	10a Land, buildings, and equipment cost basis	10a 757,182.		
	b Less accumulated depreciation. Complete Part VI of Schedule D.	10b 657,802.		
		59,598.	10c	99,380.
	11 Investments - publicly traded securities	1,427,647,618.	11	994,740,132.
	12 Investments - other securities. See Part IV, line 11		12	
	13 Investments - program-related. See Part IV, line 11		13	
	14 Intangible assets		14	
15 Other assets. See Part IV, line 11	212,195,547.	15	287,513,755.	
16 Total assets. Add lines 1 through 15 (must equal line 34)	1,941,814,011.	16	1,470,307,033.	
Liabilities	17 Accounts payable and accrued expenses	2,054,005.	17	2,348,755.
	18 Grants payable		18	
	19 Deferred revenue	183,064,433.	19	164,372,139.
	20 Tax-exempt bond liabilities		20	
	21 Escrow account liability. Complete Part IV of Schedule D		21	
	22 Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22	
	23 Secured mortgages and notes payable to unrelated third parties		23	
	24 Unsecured notes and loans payable		24	
	25 Other liabilities. Complete Part X of Schedule D	1,790,072,877.	25	1,727,281,605.
	26 Total liabilities. Add lines 17 through 25.	1,975,191,315.	26	1,894,002,499.
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.			
	27 Unrestricted net assets		27	
	28 Temporarily restricted net assets		28	
	29 Permanently restricted net assets		29	
	Organizations that do not follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 30 through 34.			
	30 Capital stock or trust principal, or current funds		30	
	31 Paid-in or capital surplus, or land, building, or equipment fund		31	
	32 Retained earnings, endowment, accumulated income, or other funds	-33,377,304.	32	-423,695,466.
	33 Total net assets or fund balances	-33,377,304.	33	-423,695,466.
	34 Total liabilities and net assets/fund balances.	1,941,814,011.	34	1,470,307,033.

Part XI Financial Statements and Reporting

		Yes	No
1	Accounting method used to prepare the Form 990 <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other		
2a	Were the organization's financial statements compiled or reviewed by an independent accountant?	2a	X
b	Were the organization's financial statements audited by an independent accountant?	2b	X
c	If "Yes" to lines 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?	2c	X
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	3a	X
b	If "Yes," did the organization undergo the required audit or audits?	3b	

SCHEDULE D
(Form 990)

Supplemental Financial Statements

OMB No 1545-0047

2008

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Inspection

Department of the Treasury
Internal Revenue Service

▶ Attach to Form 990. To be completed by organizations that
answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11, or 12.

Name of the organization

Employer identification number

WORKERS' COMPENSATION REINSURANCE ASSOCIATION

41-1357750

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if
the organization answered "Yes" to Form 990, Part IV, line 6.

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate contributions to (during year)		
3 Aggregate grants from (during year)		
4 Aggregate value at end of year		
5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?		<input type="checkbox"/> Yes <input type="checkbox"/> No
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds may be used only for charitable purposes and not for the benefit of the donor or donor advisor or other impermissible private benefit?		<input type="checkbox"/> Yes <input type="checkbox"/> No

Part II Conservation Easements. Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply)

<input type="checkbox"/> Preservation of land for public use (e.g., recreation or pleasure)	<input type="checkbox"/> Preservation of an historically important land area
<input type="checkbox"/> Protection of natural habitat	<input type="checkbox"/> Preservation of certified historic structure
<input type="checkbox"/> Preservation of open space	

2 Complete lines 2a-2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.

	Held at the End of the Year
a Total number of conservation easements	2a
b Total acreage restricted by conservation easements	2b
c Number of conservation easements on a certified historic structure included in (a)	2c
d Number of conservation easements included in (c) acquired after 8/17/06	2d

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the taxable year ▶ _____

4 Number of states where property subject to conservation easement is located ▶ _____

5 Does the organization have a written policy regarding the periodic monitoring, inspection, violations, and enforcement of the conservation easements it holds? ☐ Yes ☐ No

6 Staff or volunteer hours devoted to monitoring, inspecting, and enforcing easements during the year ▶ _____

7 Amount of expenses incurred in monitoring, inspecting, and enforcing easements during the year ▶ \$ _____

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and 170(h)(4)(B)(ii)? ☐ Yes ☐ No

9 In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets. Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items

b If the organization elected, as permitted under SFAS 116, to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items

(i) Revenues included in Form 990, Part VIII, line 1 ▶ \$ _____

(ii) Assets included in Form 990, Part X ▶ \$ _____

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 relating to these items

a Revenues included in Form 990, Part VIII, line 1 ▶ \$ _____

b Assets included in Form 990, Part X ▶ \$ _____

For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule D (Form 990) 2008

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)

3 Using the organization's accession and other records, check any of the following that are a significant use of its collection items (check all that apply)

- a ☐ Public exhibition d ☐ Loan or exchange programs
 b ☐ Scholarly research e ☐ Other _____
 c ☐ Preservation for future generations

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIV.

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? ☐ Yes ☐ No

Part IV Trust, Escrow and Custodial Arrangements. Complete if organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIV and complete the following table

	Amount
c Beginning balance	1c
d Additions during the year	1d
e Distributions during the year	1e
f Ending balance	1f

2a Did the organization include an amount on Form 990, Part X, line 21? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIV.

Part V Endowment Funds. Complete if organization answered "Yes" to Form 990, Part IV, line 10.

	(a) Current Year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance					
b Contributions					
c Investment earnings or losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

2 Provide the estimated percentage of the year end balance held as

- a Board designated or quasi-endowment ▶ _____ %
 b Permanent endowment ▶ _____ %
 c Term endowment ▶ _____ %

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by

(i) unrelated organizations

3a(i)	Yes	No
-------	-----	----

 (ii) related organizations

3a(ii)		
--------	--	--

b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?

3b		
----	--	--

4 Describe in Part XIV the intended uses of the organization's endowment funds.

Part VI Investments - Land, Buildings, and Equipment. See Form 990, Part X, line 10.

Description of investment	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Depreciation	(d) Book value
1a Land				
b Buildings				
c Leasehold improvements				
d Equipment	NONE		NONE	NONE
e Other	757,182.		657,802.	99,380.
Total. Add lines 1a-1e. (Column (d) should equal Form 990, Part X, column (B), line 10(c))				99,380.

Part XI Reconciliation of Change in Net Assets from Form 990 to Financial Statements

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	-56,652,488.
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	63,617,243.
3	Excess or (deficit) for the year. Subtract line 2 from line 1	3	-120,269,731.
4	Net unrealized gains (losses) on investments	4	-270,048,430.
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV)	8	
9	Total adjustments (net). Add lines 4-8	9	-270,048,430.
10	Excess or (deficit) for the year per financial statements. Combine lines 3 and 9	10	-390,318,161.

Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

1	Total revenue, gains, and other support per audited financial statements	1	-61,914,408.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12		
a	Net unrealized gains on investments	2a	
b	Donated services and use of facilities	2b	
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIV)	2d	
e	Add lines 2a through 2d	2e	
3	Subtract line 2e from line 1	3	-61,914,408.
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	5,261,920.
b	Other (Describe in Part XIV)	4b	
c	Add lines 4a and 4b	4c	5,261,920.
5	Total revenue. Add lines 3 and 4c. (This should equal Form 990, Part I, line 12)	5	-56,652,488.

Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

1	Total expenses and losses per audited financial statements	1	58,355,323.
2	Amounts included on line 1 but not on Form 990, Part IX, line 25		
a	Donated services and use of facilities	2a	
b	Prior year adjustments	2b	
c	Losses reported on Form 990, Part IX, line 25	2c	
d	Other (Describe in Part XIV)	2d	
e	Add lines 2a through 2d	2e	
3	Subtract line 2e from line 1	3	58,355,323.
4	Amounts included on Form 990, Part IX, line 25, but not on line 1		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	4,952,578.
b	Other (Describe in Part XIV)	4b	309,342.
c	Add lines 4a and 4b	4c	5,261,920.
5	Total expenses. Add lines 3 and 4c. (This should equal Form 990, Part I, line 18)	5	63,617,243.

Part XIV Supplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9, Part III, lines 1a and 4, Part IV, lines 1b and 2b, Part V, line 4, Part X; Part XI, line 8, Part XII, lines 2d and 4b, and Part XIII, lines 2d and 4b.

SEE PAGE 5

Part XIV Supplemental Information (continued)

PART XIII 4B

SCHEDULE D

OVERHEAD EXPENSES ALLOCATED TO INVESTMENT INCOME

PART XIII 4A

SCHEDULE D

DIRECT INVESTMENT EXPENSES OFFSET TO INVESTMENT INCOME

**SCHEDULE J
(Form 990)**

Department of the Treasury
Internal Revenue Service

Compensation Information

For certain Officers, Directors, Trustees, Key Employees, and Highest
Compensated Employees

► Attach to Form 990. To be completed by organizations
that answered "Yes" to Form 990, Part IV, line 23.

OMB No 1545-0047

2008

**Open to Public
Inspection**

Name of the organization

WORKERS' COMPENSATION REINSURANCE ASSOCIATION

Employer identification number

41-1357750

Part I Questions Regarding Compensation

1a Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.

- | | |
|--|--|
| <input type="checkbox"/> First-class or charter travel | <input type="checkbox"/> Housing allowance or residence for personal use |
| <input type="checkbox"/> Travel for companions | <input type="checkbox"/> Payments for business use of personal residence |
| <input type="checkbox"/> Tax indemnification and gross-up payments | <input type="checkbox"/> Health or social club dues or initiation fees |
| <input type="checkbox"/> Discretionary spending account | <input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef) |

b If line 1a is checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain

2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?

3 Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director. Check all that apply.

- | | |
|--|---|
| <input type="checkbox"/> Compensation committee | <input type="checkbox"/> Written employment contract |
| <input type="checkbox"/> Independent compensation consultant | <input checked="" type="checkbox"/> Compensation survey or study |
| <input type="checkbox"/> Form 990 of other organizations | <input checked="" type="checkbox"/> Approval by the board or compensation committee |

4 During the year, did any person listed in Form 990, Part VII, Section A, line 1a:

- | | | |
|--|-----------|---|
| a Receive a severance payment or change of control payment? | 4a | X |
| b Participate in, or receive payment from, a supplemental nonqualified retirement plan? | 4b | X |
| c Participate in, or receive payment from, an equity-based compensation arrangement? | 4c | X |
- If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.

Only 501(c)(3) and 501(c)(4) organizations must complete lines 5-8.

5 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:

- | | | |
|--|-----------|--|
| a The organization? | 5a | |
| b Any related organization? | 5b | |
- If "Yes" to line 5a or 5b, describe in Part III.

6 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:

- | | | |
|--|-----------|--|
| a The organization? | 6a | |
| b Any related organization? | 6b | |
- If "Yes" to line 6a or 6b, describe in Part III.

7 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III

8 Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regs. section 53.4958-4(a)(3)? If "Yes," describe in Part III

	Yes	No
1b		
2		
4a		X
4b	X	
4c		X
5a		
5b		
6a		
6b		
7		
8		

For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule J (Form 990) 2008

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 4c, 5a, 5b, 6a, 6b, 7, and 8. Also complete this part for any additional information.

PART I 4B.

SCHEDULE J PART III

PARTICIPANT IN WCRA 457(F) PLAN - CARL CUMMINS, CONTRIBUTION OF \$5,000

MADE BY EMPLOYER. AMOUNT ALSO INCLUDED IN SCH. J, PART II, COLUMN C.

PARTICIPANTS IN WCRA 457(B) PLAN - CARL CUMMINS, CONTRIBUTION OF \$15,000

MADE BY EMPLOYER - AMOUNT ALSO INCLUDED IN SCH. J, PART II, COLUMN

(B)(II). DON SWANSON, EMPLOYEE DEFERRAL OF \$10,730.70 - JAMES HEER,

EMPLOYEE DEFERRAL OF \$6,000. AMOUNTS ALSO INCLUDED IN SCH. J, PART II,

COLUMN B(I).

PART II CLARIFICATION: THE FOLLOWING INDIVIDUALS PARTICIPATED IN THE WCRA

457(B) PLAN AND INCURRED INVESTMENT LOSSES NOT INCLUDED IN THE VALUES IN

SCHEDULE J, PART II. CARL CUMMINS' ACCOUNT INCURRED AN INVESTMENT LOSS

OF \$33,938.34. DONALD SWANSON'S ACCOUNT INCURRED AN INVESTMENT LOSS OF

\$14,588.75. AND JAMES HEER'S ACCOUNT INCURRED AN INVESTMENT LOSS OF

\$3,361.51. IN ADDITION, CARL CUMMINS' 457(F) PLAN ACCOUNT INCURRED A

LOSS OF \$10,917.98. ALSO NOT REFLECTED IN THE NUMBERS IN SCHEDULE J, PART

II.

**SCHEDULE J-2
(Form 990)**

Department of the Treasury
Internal Revenue Service

Continuation Sheet for Form 990

▶ Attach to Form 990 to list additional information for Form 990, Part VII, Section A, line 1a.

OMB No 1545-0047

2008

**Open to Public
Inspection**

Name of the Organization

Employer Identification number

WORKERS' COMPENSATION REINSURANCE ASSOCIATION

41-1357750

Part I Continuation of Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
HOWARD J. BICKER DIRECTOR	2.	X						5,650.	NONE	NONE
ROBERT DITMORE DIRECTOR	2.	X						NONE	NONE	NONE
GARY A. SWOVERLAND DIRECTOR	2.	X						2,850.	NONE	NONE
WAYNE SIMONEAU DIRECTOR	2.	X						6,250.	NONE	NONE
MICHELE SPENCER DIRECTOR	2.	X						4,850.	NONE	NONE
DAVE HENNES DIRECTOR	2.	X						6,450.	NONE	NONE
RAY WALDRON DIRECTOR	2.	X						6,000.	NONE	NONE
DON GERDESMEIER DIRECTOR	2.	X						5,050.	NONE	NONE
PETER SAUSEN DIRECTOR	2.	X						NONE	NONE	NONE
STUART HENDERSON DIRECTOR	2.	X						3,850.	NONE	NONE
ROBERT LUND DIRECTOR	2.	X						5,250.	NONE	NONE
ALLISON WAGGONER DIRECTOR	2.	X						4,850.	NONE	NONE
KATHY KARDELL DIRECTOR	2.	X						NONE	NONE	NONE
GARY NELSON DIRECTOR	2.	X						2,200.	NONE	NONE
DAVID YOUNG DIRECTOR	2.	X						5,650.	NONE	NONE
WELLS FARGO BANK, N.A.			X					6,106.	NONE	NONE
CARL CUMMINS PRESIDENT AND CEO	50.			X				226,567.	NONE	53,188.
JAMES HEER VP & ACTUARY	47.			X				182,162.	NONE	42,375.
DONALD SWANSON VP FINANCE, INVEST. & TREAS.	42.			X				158,224.	NONE	37,950.
ELISABETH SKOGLUND VP CLAIMS AND INFO. SYSTEMS	47.			X				116,324.	NONE	37,458.
CYNTHIA SMITH VP OPERATIONS AND SECRETARY	60.			X				115,787.	NONE	34,733.

For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule J-2 (Form 990) 2008

JSA

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311446-6868-02

SCHEDULE L
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Transactions With Interested Persons

▶ Attach to Form 990 or Form 990-EZ.
▶ To be completed by organizations that answered
"Yes" on Form 990, Part IV, lines 25a, 25b, 26, 27, 28a, 28b, or 28c,
or Form 990-EZ, Part V, lines 38b or 40b.

OMB No 1545-0047

2008

**Open To Public
Inspection**

Name of the organization

WORKERS' COMPENSATION REINSURANCE ASSOCIATION

Employer identification number

41-1357750

Part I Excess Benefit Transactions (section 501(c)(3) and section 501(c)(4) organizations only).

To be completed by organizations that answered "Yes" on Form 990, Part IV, lines 25a or 25b, or Form 990-EZ, Part V, line 40b.

1	(a) Name of disqualified person	(b) Description of transaction	(c) Corrected?	
			Yes	No

2 Enter the amount of tax imposed on the organization managers or disqualified persons during the year
under section 4958 ▶ \$

3 Enter the amount of tax, if any, on line 2, above, reimbursed by the organization ▶ \$

Part II Loans to and/or From Interested Persons.

To be completed by organizations that answered "Yes" on Form 990, Part IV, line 26, or Form 990-EZ, Part V, line 38a

(a) Name of interested person and purpose	(b) Loan to or from the organization?		(c) Original principal amount	(d) Balance due	(e) In default?		(f) Approved by board or committee?		(g) Written agreement?	
	To	From			Yes	No	Yes	No	Yes	No
CARL CUMMINS COMPENSATION		X	36,993.	51,057.		X	X		X	
Total ▶ \$				51,057						

Part III Grants or Assistance Benefitting Interested Persons.

To be completed by organizations that answered "Yes" on Form 990, Part IV, line 27.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of grant or type of assistance

Part IV Business Transactions Involving Interested Persons.

To be completed by organizations that answered "Yes" on Form 990, Part IV, lines 28a, 28b, or 28c

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
SEE STATEMENT 6					

For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule L (Form 990 or 990-EZ) 2008

JSA

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311446-6868-02

24

**SCHEDULE O
(Form 990)**

Department of the Treasury
Internal Revenue Service

Name of the organization

Supplemental Information to Form 990

▶ Attach to Form 990. To be completed by organizations to provide additional information for responses to specific questions for the Form 990 or to provide any additional information.

OMB No 1545-0047

2008

**Open to Public
Inspection**

Employer identification number

WORKERS' COMPENSATION REINSURANCE ASSOCIATION

41-1357750

PART III

LINE 4A - STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS

THE WCRA PROVIDES REINSURANCE PROTECTION FOR SERIOUS WORKERS'

COMPENSATION LOSSES TO ALL PRIMARY WORKERS' COMPENSATION INSURANCE

PROVIDERS AND SELF-INSURED EMPLOYEES IN THE STATE OF MINNESOTA. THE

ASSOCIATION PROVIDES FULL INDEMNIFICATION TO ITS MEMBERS FOR WORKERS'

COMPENSATION LOSSES IN EXCESS OF A MEMBER'S RETENTION LIMIT, AS PROVIDED

FOR UNDER MINN. STATS. CHAPTER 176. FUNDED REINSURANCE PREMIUMS ARE

BILLED ANNUALLY TO ITS MEMBERS TO COVER THE ESTIMATED PRESENT VALUE,

USING A DISCOUNT RATE OF 7.0 %, OF THE ESTIMATED ULTIMATE LIABILITY FOR

MEMBERS' INCURRED LOSSES, UP TO AND INCLUDING THE PREFUNDED LIMIT OF \$8.2

MILLION PER OCCURRENCE. PREMIUMS ALSO COVER THE ESTIMATED LOSS EXPENSES,

OPERATING, AND ADMINISTRATIVE EXPENSES OF THE WCRA. PREMIUMS ARE

INVESTED IN BONDS AND EQUITIES WITH AN OBJECTIVE OF EARNING A 7.0 %

RETURN. SECURITIES ARE STATED AT FAIR MARKET VALUE. SECURITIES ARE

FREQUENTLY SOLD TO MAXIMIZE INVESTMENT RETURN. REINSURANCE PREMIUMS TO

BE BILLED IN FUTURE YEARS FOR UNFUNDED LOSSES IN EXCESS OF THE PREFUNDED

LIMIT ARE RECOGNIZED AS REVENUES CONCURRENT WITH THE RELATED UNFUNDED

LOSSES AND LOSS EXPENSES. THE PREMIUMS FOR UNFUNDED LOSSES ARE BILLED TO

THE MEMBERS OF THE WCRA WHEN THOSE UNFUNDED LOSSES ARE PAID. TO DATE,

THE WCRA HAS PAID \$4.6 MILLION FOR UNFUNDED LOSSES. THE WCRA ANTICIPATES

PAYING CLAIMS OF \$7.3 BILLION FOR LOSSES AND LOSS EXPENSES INCURRED ON OR

BEFORE 12/31/2008. LOSSES PAID FROM WCRA'S 1979 INCEPTION THROUGH

12/31/2008 EQUAL \$741 MILLION. THE WCRA IS EXEMPT FROM FEDERAL INCOME

TAX UNDER IRS SECTION 501(C)(27)(A). TO QUALIFY FOR THIS EXEMPTION, ANY

For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule O (Form 990) 2008

**SCHEDULE O
(Form 990)**

Department of the Treasury
Internal Revenue Service

Name of the organization

Supplemental Information to Form 990

► **Attach to Form 990. To be completed by organizations to provide additional information for responses to specific questions for the Form 990 or to provide any additional information.**

OMB No. 1545-0047

2008

**Open to Public
Inspection**

Employer identification number

MEMBERSHIP ORGANIZATION MUST MEET ALL THE FOLLOWING REQUIREMENTS: 1) IT
WAS ESTABLISHED BY A STATE BEFORE JUNE 1, 1996, EXCLUSIVELY TO REIMBURSE
MEMBERS FOR LOSSES UNDER WORKERS' COMPENSATION ACTS; 2) THE STATE
REQUIRES THAT THE MEMBERSHIP CONSIST OF ALL PERSONS WHO ISSUE INSURANCE
COVERING WORKER'S COMPENSATION LOSSES IN THE STATE AND ALL PERSONS AND
GOVERNMENT ENTITIES WHO SELF-INSURE AGAINST THOSE LOSSES; 3) IT OPERATES
AS A NONPROFIT ORGANIZATION BY RETURNING SURPLUS INCOME TO ITS MEMBERS OR
WORKERS' COMPENSATION POLICYHOLDERS ON A PERIODIC BASIS AND BY REDUCING
INITIAL PREMIUMS IN ANTICIPATION OF INVESTMENT INCOME.

Name of the organization

Employer identification number

WORKERS' COMPENSATION REINSURANCE ASSOCIATION

41-1357750

PART VI

SECTION A - GOVERNING BODY AND MANAGEMENT

5. IN OCTOBER OF 2008, THE ASSOCIATION, ALONG WITH THREE OTHER MINNESOTA NONPROFIT ORGANIZATIONS, FILED A LAWSUIT AGAINST WELLS FARGO BANK N.A., IN MINNESOTA DISTRICT COURT IN RAMSEY COUNTY. THE LAWSUIT RELATES TO THE WELLS FARGO SECURITIES LENDING PROGRAM AND CHARGES THAT WELLS FARGO BREACHED CONTRACTS, BREACHED FIDUCIARY RESPONSIBILITIES, AND ENGAGED IN MISREPRESENTATIONS AND OTHER WRONGFUL CONDUCT IN CONNECTION WITH THE PROGRAM. THE LAWSUIT SEEKS TO RECOVER SIGNIFICANT LOSSES INCURRED BY THE ASSOCIATION FROM PARTICIPATION IN THE WELLS FARGO SECURITIES LENDING PROGRAM. THE TRIAL HAS BEEN SCHEDULED FOR FEBRUARY 22, 2010.

6. THE WORKERS' COMPENSATION REINSURANCE ASSOCIATION (WCRA) WAS CREATED BY THE STATE LEGISLATURE IN 1979. MINNESOTA (MN) LAW REQUIRES ALL INSURERS AND SELF-INSURERS TO PURCHASE WORKERS' COMPENSATION REINSURANCE BY BECOMING MEMBERS OF THE WCRA. STATE LAW SPECIFIES THE COMPOSITION OF THE BOARD, WHICH INCLUDES: FOUR INSURER REPRESENTATIVES ELECTED BY INSURER MEMBERS OF THE WCRA AND APPROVED BY THE MN COMMISSIONER OF LABOR AND INDUSTRY; TWO SELF-INSURER REPRESENTATIVES ELECTED BY SELF-INSURER MEMBERS OF THE WCRA AND APPROVED BY THE MN COMMISSIONER OF LABOR AND INDUSTRY; TWO EMPLOYER REPRESENTATIVES, TWO EMPLOYEE REPRESENTATIVES, AND ONE PUBLIC REPRESENTATIVE APPOINTED BY THE MN COMMISSIONER OF LABOR AND INDUSTRY; THE MN COMMISSIONER OF FINANCE (OR DESIGNEE); AND THE EXECUTIVE DIRECTOR, MN STATE BOARD OF INVESTMENT (OR DESIGNEE). DUE TO THE STRUCTURE OF THE WCRA AND THE BOARD, SELF-INSURER, INSURER, AND EMPLOYER REPRESENTATIVE, BOARD MEMBERS HAVE A BUSINESS RELATIONSHIP WITH THE WCRA; THEIR EMPLOYERS ARE ALL INSURED BY THE WCRA.

Name of the organization

Employer identification number

WORKERS' COMPENSATION REINSURANCE ASSOCIATION

41-1357750

7A. PLEASE REFER TO ITEM 6 ABOVE.

7B. BY STATUTE, CERTAIN DECISIONS MADE BY THE WCRA BOARD OF DIRECTORS ARE SUBJECT TO APPROVAL BY THE MINNESOTA MEMBERS AS INDICATED IN ITEM 6 ABOVE. APPROVAL OF MEMBERSHIP ASSESSMENTS OR SURPLUS DISTRIBUTIONS, AND APPROVAL OF THE COMMISSIONER OF LABOR AND INDUSTRY. THEY ARE AS FOLLOWS: RATES CHARGED BY THE WCRA, THE WCRA BOARD ANNUAL STIPEND, AND PER DIEMS PAID TO THE BOARD AND COMMITTEE MEMBERS.

10. THE WCRA STAFF COMPILES THE DRAFT FORM 990 AND THE VICE PRESIDENT - FINANCE AND INVESTMENTS CONDUCTS A DETAIL REVIEW OF THE DRAFT FORM 990 AND ITS DOCUMENTATION. THE WCRA OUTSIDE AUDITORS, PRICEWATERHOUSECOOPERS LLP, REVIEWS THE DRAFT AND COMPLETES THE FINAL FORM 990. THE WCRA STAFF THEN REVIEWS THE FINAL FORM 990 AND THE CEO SIGNS.

12C. ANNUALLY, WCRA DIRECTORS AND OFFICERS ARE REQUIRED TO REVIEW THE POLICY AND COMPLETE A CONFLICT-OF-INTEREST DISCLOSURE STATEMENT. ANSWERS ARE REPORTED TO THE FULL BOARD TO DETERMINE IF ACTION IS NEEDED. IN ADDITION, THE POLICY IS REVIEWED WITH ALL NEW BOARD MEMBERS DURING THEIR ORIENTATION AND ANY DISCLOSURES ARE SHARED WITH THE BOARD. BOARD MEMBERS ARE ALSO REQUIRED TO REPORT ANY CONFLICT THAT MAY ARISE THROUGHOUT THE YEAR TO THE BOARD CHAIR OR AT A BOARD MEETING TO SEE IF FURTHER ACTION IS REQUIRED.

19C. THE WCRA MAKES AVAILABLE ITS GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICY, AND FINANCIAL STATEMENTS TO THE PUBLIC BY MEANS OF ITS

Name of the organization

Employer identification number

WORKERS' COMPENSATION REINSURANCE ASSOCIATION

41-1357750

WEBSITE, WWW.WCRA.BIZ.

FORM 990, PART III, LINE 1 - ORGANIZATION'S MISSION
=====

THE WCRA ENSURES THE AVAILABILITY OF LONGTERM REINSURANCE PROTECTION FOR SERIOUS MINNESOTA WORKERS' COMPENSATION CLAIMS. OUR STAFF OF INNOVATIVE PROFESSIONALS IS DEDICATED TO ACHIEVING THE HIGHEST STANDARD OF EXCELLENCE THROUGH STABLE AND REASONABLE RATES, EXPERT CLAIMS ADMINISTRATION, FINANCIAL STABILITY, AND INFORMATIONAL SERVICES.

FORM 990, PART V, LINE 4B - FOREIGN COUNTRIES

=====

DENMARK
ITALY
NORWAY
SWEDEN
GREECE
SWITZERLAND

990, PART VII- COMPENSATION OF THE FIVE HIGHEST PAID IND. CONTRACTORS
=====

NAME AND ADDRESS -----	DESCRIPTION OF SERVICES -----	COMPENSATION -----
BARCLAYS GLOBAL ADVISORS 400 HOWARD ST. SAN FRANCISCO, CA 94105-2618	INVESTMENT MGMT.	569,312.
JP MORGAN INSTITUTIONAL INV. 10 SOUTH DEARBORN, FL 43 CHICAGO, IL 60603	INVESTMENT MGMT.	624,891.
PIMCO 840 NEWPORT CENTER DRIVE NEWPORT BEACH, CA 95660	INVESTMENT MGMT.	812,080.
VOYAGEUR ASSET MGMT. 100 SOUTH 5TH ST., SUITE 2300 MINNEAPOLIS, MN 55402-1240	INVESTMENT MGMT.	496,474.
J&W SELIGMAN & CO. 100 PARK AVE, FL 8 NEW YORK, NY 10017-5598	INVESTMENT MGMT.	484,560.
TOTAL COMPENSATION		----- 2,987,317. =====

WORKERS' COMPENSATION REINSURANCE ASSOCIATION

41-1357750

FORM 990, PART VIII - INVESTMENT INCOME

=====

DESCRIPTION	(A) TOTAL REVENUE	(B) RELATED OR EXEMPT REVENUE	(C) UNRELATED BUSINESS REV.	(D) EXCLUDED REVENUE
-----	-----	-----	-----	-----
	-----	-----	-----	41,490,523.
	-----	-----	-----	-----
TOTALS	=====	=====	=====	41,490,523. =====

FORM 990, PART IX - BENEFITS PAID TO OR FOR MEMBERS

=====

CLAIM PAYMENTS	60340820.
RESERVE FOR UNFUNDED LOSSES	-18688640.
FUNDED LOSSES AND LOSS EXPENSE RESERVE	12709714.

TOTALS	54361894.
	=====

SCHEDULE L, PART IV

=====

(A) NAME OF INTERESTED PERSON	(B) RELATIONSHIP	(C) AMOUNT	(D) DESCRIPTION OF TRANSACTION	(E) YES NO
HOWARD BICKER, WORKS FOR STATE OF MN	MEMBER OF BOARD	791,720.	STATE OF MN PREMIUMS/CLMS	X
ROBERT DITMORE, WORKS FOR TRAVELERS INS.	MEMBER OF BOARD	5,981,067.	TRAVELERS PREMIUMS/CLMS	X
STUART HENDERSON, WORKS FOR WESTERN NATL	MEMBER OF BOARD	958,641.	WESTERN PREMIUMS/CLMS	X
DAVID HENNES, WORKS FOR TORO CO.	MEMBER OF BOARD	44,385.	TORO CO. PREMIUMS	X
KATHY KARDELL, WORKS FOR STATE OF MN	MEMBER OF BOARD	791,720.	STATE OF MN PREMIUMS/CLMS	X
ROBERT LUND, WORKS FOR SFM INS.	MEMBER OF BOARD	5,957,064.	SFM INS PREMIUMS/CLMS	X
GARY NELSON, WORK FOR MEDTRONIC	MEMBER OF BOARD	42,691.	MEDTRONIC PREMIUMS	X
PETER SAUSEN, WORKS FOR STATE OF MN	MEMBER OF BOARD	791,720.	STATE OF MN PREMIUMS/CLMS	X
GARY SWOVERLAND, WORKED FOR LAND O' LAKES	MEMBER OF BOARD	374,620.	LAND O' LAKES PREMIUMS/CLMS	X
DAVID YOUNG, WORKS FOR LIBERTY MUTUAL	MEMBER OF BOARD	6,240,386.	LIBERTY PREMIUMS/CLMS	X

STATEMENT

6

- If you are filing for an Additional (Not Automatic) 3-Month Extension, complete only Part II and check this box ☒ **X**.
Note. Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868.
- If you are filing for an Automatic 3-Month Extension, complete only Part I (on page 1).

Part II Additional (Not Automatic) 3-Month Extension of Time. You must file original and one copy.

Type or print File by the extended due date for filing the return. See instructions.	Name of Exempt Organization	Employer identification number
	WORKERS' COMPENSATION REINSURANCE ASSOCIATION	41-1357750
	Number, street, and room or suite no. If a P.O. box, see instructions.	For IRS use only
	400 ROBERT STREET NORTH, SUITE 1700	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions.	
	ST. PAUL, MN 55101-2026	

Check type of return to be filed (File a separate application for each return):

<input checked="" type="checkbox"/> Form 990	<input type="checkbox"/> Form 990-PF	<input type="checkbox"/> Form 1041-A	<input type="checkbox"/> Form 6069
<input type="checkbox"/> Form 990-BL	<input type="checkbox"/> Form 990-T (sec. 401(a) or 408(a) trust)	<input type="checkbox"/> Form 4720	<input type="checkbox"/> Form 8870
<input type="checkbox"/> Form 990-EZ	<input type="checkbox"/> Form 990-T (trust other than above)	<input type="checkbox"/> Form 5227	

STOP! Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.

- The books are in the care of **WORKERS' COMPENSATION REINSURANCE ASSOCIATION**
Telephone No. **651 293-0999** FAX No. **651 229-1848**
- If the organization does not have an office or place of business in the United States, check this box ☐
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) ☐. If this is for the whole group, check this box ☐. If it is for part of the group, check this box ☐ and attach a list with the names and EINs of all members the extension is for

- I request an additional 3-month extension of time until **11/16/2009**.
- For calendar year **2008**, or other tax year beginning ☐ and ending ☐.
- If this tax year is for less than 12 months, check reason: ☐ Initial return ☐ Final return ☐ Change in accounting period
- State in detail why you need the extension **ADDITIONAL TIME IS NEEDED TO FILE A COMPLETE AND ACCURATE RETURN**

8a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	8a \$	NONE
b If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868.	8b \$	NONE
c Balance Due. Subtract line 8b from line 8a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFPS (Electronic Federal Tax Payment System). See instructions.	8c \$	NONE

Signature and Verification

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form.

Signature **Lave B. Junt** Title **CFO** Date **8/6/09**
 PRICEWATERHOUSECOOPERS LLP
 225 SOUTH SIXTH ST., SUITE #1400
 MINNEAPOLIS, MN 55402

Form 8868 (Rev. 4-2008)